

Minutes of the Personnel Committee

Tuesday, August 1, 2006

Chair Paulson called the meeting to order at 1:00 p.m.

Present: Supervisors Duane Paulson (Chair), Tom Schellinger, Pete Gundrum, Bob Thelen, and Tom Bullermann. Fritz Ruf arrived at 1:02 p.m. and Rob Hutton arrived at 1:50 p.m.

Also Present: Legislative Policy Advisor Dave Krahn, Legislative Policy Advisor Mark Mader, County Board Chair Jim Dwyer, Legislative Associate Sandi Meisenheimer, Employee Benefits Administrator Pete Hans, Employment Services Manager Sue Zastrow, Labor Relations Manager Jim Richter, Senior Human Resources Analyst Sylvana Radmer, and Principal Human Resources Analyst Terri Sgarlata-Lutz. Recorded by Mary Pedersen, County Board Office.

Approve Minutes of 7-18-06

MOTION: Thelen moved, second by Schellinger to approve the minutes of July 18th. Motion carried 5-0.

Schedule Next Meeting Dates

August 15th.

Ruf arrived at 1:02 p.m.

Discuss 2007 Health Insurance Program

Hans and Richter were present to discuss advancing a consumer driven health plan / health savings account as an option to our existing health insurance program. Hans said initially, this would be provided exclusively to the non-represented employees and the full-time elected officials. This is something that would be discussed with the labor unions as it's subject to bargaining.

A Consumer Driven Health Plan (CDHP) is a new product designed to address current and future health care concerns for both employers and employees. Hans described this as the new evolution of health insurance. Through a combination of benefit design, savings accounts, and consumer educational tools, this model attempts to establish a more cost-effective plan by engaging employees in the decision making process and by creating incentives to seek out appropriate health care services. The plan also enables employees to build funds to cover current and future health care costs through the use of a Health Savings Account (HSA).

The benefit design includes a higher deductible and maximum co-insurance out-of-pocket in order to introduce the concept of "consumerism" to employees when they purchase their health care services. This benefit design is coupled with an HSA that is funded with employer and employee contributions that are used at the employee's discretion. The funds can be used to cover employee's current out-of-pocket expenses, or the funds can be rolled over each year to build for future health care expenses.

Hans said the CDHP would feature a higher deductible. Currently, our standard plan has a \$100 deductible for a single plan and a \$300 deductible for a family plan. The CDHP will feature a \$1,500 deductible for a single plan and \$3,000 for a family plan. It also has a higher out-of-pocket expense for co-insurance. For example, (in-network) the County would contribute \$1,000 for a single plan and \$3,000 for the family plan into an HSA. The employee could contribute up to \$500 for a single plan and \$1,000 for a family plan. The total maximum out-of-pocket expense (deductible and co-insurance) for a single plan would be \$2,250 and \$4,500 for a family plan. The HSA could be used to cover deductible and out-of-pocket expenses or the individual could leave the money alone and pay for these expenses with after-tax dollars. Hans noted that HSA funds cannot be used to pay for any health insurance premiums except Medicare

The CDHP plan design will result in lower premium costs. Initially the County's premium savings would be modest, but the plan holds the potential for reducing future health care cost increases and it offers employees an opportunity to build savings for their future health care expenses.

Hans explained several scenarios on financial impacts on the County and on the employee. He said a CDHP may not be for everyone. Basically, it would depend on how often one utilizes medical-related services each year. To answer Gundrum's question, Richter said open enrollment would occur annually and there would be no health restrictions. Richter said he anticipates an ordinance will be forwarded in time for the next Personnel Committee meeting. Paulson asked the committee to review the handouts.

Hutton arrived at 1:50 p.m.

Update on the Fitness for Duty Study

Radmer and Zastrow were present to discuss this issue and copies of "Fitness For Duty Project Summary" were distributed. A workgroup was started in 2003. When they completed the study report in 2004, it was with the intent that all sheriff deputies would participate in the Fitness For Duty Program. This would have been phased in over a five-year period, however, the Sheriff wanted all current employees grandfathered. Because of this, the project came to a stand-still for several months although the grandfather provision eventually prevailed. New employees, starting with the next recruitment in 2007, will have to meet fitness standards.

A critical piece of this program is the job analysis. Radmer said they needed to find a vendor who was well versed in conducting job analyses, specifically for law enforcement, but who also had experience with defending their work in a court of law, should it ever be challenged.

Radmer noted that a vendor was selected this year. They have explained the program to the union and the Sheriff's Civil Service Commission. The program's structure will include a lot of involvement from the Sheriff's Department and experts in the department will assist with the job analysis. Focus groups will be interviewed by the vendor to assist them in designing a job action questionnaire. This questionnaire will lead to job standards and a simulation program.

The kick-off meeting with the vendor will be on August 10 and they hope to have this up and running by February of 2007. Zastrow said employees will be re-tested each year to ensure they

are continuing to meet the standards. Grandfathered employees will be encouraged to participate on a voluntary basis. Schellinger asked if physical fitness activities will be done on or off duty. Zastrow said they should be doing the exercises on their own time although the annual testing will be done on County time. She noted that the Sheriff's Department does have their own exercise equipment and this room will be maintained.

Zastrow advised that many liability and legal issues have been examined by Risk Management Administrator Laura Stauffer and Steve Schmitz of the Corporation Counsel's Office and that they are part of the work group.

Closed Session

MOTION: Hutton moved, second by Ruf go into closed session at 2:10 p.m. in accordance with Section 19.85 (1)(e) Wis. Stats. for the purpose of discussing collective bargaining issues, and to approve the closed session minutes of previous meeting(s). Motion carried 7-0.

MOTION: Schellinger moved, second by Thelen to return to open session at 2:55 p.m. Motion carried 7-0.

MOTION: Bullermann moved, second by Hutton to adjourn at 2:55 p.m. Motion carried 7-0.

Respectfully submitted,

Approved on: _____

Robert G. Thelen II
Secretary